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immigrant stream brings many serious evils in its train. In politics, the ignorant and credulous foreigner, needing help, and thinking that he needs protection, furnishes just the sort of material that the ward boss needs for his operations. The effect upon the American physical type of the grade of humanity which makes up a large part of the present immigration current must of necessity be undesirable.

The general conclusions of the author are very decidedly of the sort usually styled "restrictionist." The distinctive features which they present are a fearless dogmatism of statement, and a long look into the future. Professor Ross has his eye, not upon the welfare of this generation or the next, but upon the long vista of generations which are to follow. Perhaps no sentence in the book is more typical than the following: "Not until the twenty-first century will the philosophic historian be able to declare with scientific certitude that the cause of the mysterious decline that came upon the American people early in the twentieth century was the deterioration of popular intelligence by the admission of great numbers of backward immigrants."

In summing up the value and special contribution of this book it may be said that it lies not so much in any new facts brought to light, or any new arguments adduced or conclusions reached, as in its outspoken and impressive emphasis on certain important aspects of the situation which are all too frequently neglected, or handled with diffidence, by writers on the subject.

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A Financial History of California. By WILLIAM C. FANKHAUSER. Berkeley: The University of California Press, 1913. Royal 8vo, pp. 311. \$2.50.

This monograph is No. 2 of Vol. III of the University of California Publications in Economics. The author states in his preface that it has been his aim to provide those who desire to inform themselves of the financial history of the state with a systematic arrangement of fiscal facts gleaned from statutes, governors' messages, comptrollers' reports, and similar public documents. His treatment of the subject is, therefore, chiefly narrative and descriptive rather than analytical and critical.

The fiscal history of the state from the Spanish occupation to the present time (1912) is divided roughly into epochs or periods, whose limits are indicated by marked changes in the revenue policy of the state. In each period the author traces the general development of

public expenditures, revenues, state and local debts, and financial administration. Statutes and other official documents are relied on almost exclusively to supply material for this treatment. Little attempt is made to utilize newspaper comment and other unofficial sources to reveal public opinion and to discover political or economic causes for new legislation or for changes in public policy. In addition to the general narrative the discussion of certain periods contains detailed consideration of some of the more important fiscal problems that engrossed official attention during those periods. Thus, during the years 1872 to 1880, interest centered in the constitutional convention of 1878-79 and its attempts to free the legislature from restrictions that prevented it from passing effective tax laws; from 1880 to 1895 taxation of railroads was of chief concern; and the period 1895 to 1912 is significant because of the breakdown of the general property tax and the introduction of separation of sources as a remedy for existing evils.

The account of California's experience with the general property tax reveals the same difficulties that have been encountered in other communities employing that primitive method of raising revenue. Introduced and established for the express purpose of bringing about absolute universality and uniformity, this tax soon became grossly inequitable. As interpreted by the courts it served to provide certain corporations and the owners of intangible property with a convenient means of escaping their just share of the tax burden. The solution of this difficulty and of several others that accompanied the general property tax was found by the commission on revenue and taxation (1906) to be classification and separation of sources. Recent legislative enactments, following in the main the recommendations of the commission, provide that public service corporations and insurance companies shall be taxed on their gross receipts; and all corporations, with minor exceptions, are required to pay certain fees and license taxes to the state. The state seeks to derive practically all its revenue from these corporation and business taxes, leaving the general property tax to counties and municipalities. The author seems to approve of these reforms (p. 368); but, either because he deems it not within the scope of this study, or because sufficient time has not been given to test the new arrangements, he enters into no investigation to support his conclusion.

A chapter dealing with state expenditures from 1850 to 1910 concludes the book. Before 1888 the increase of expenditures was not very marked. The growth of the state budget from \$348,000 in 1850 to \$6,599,000 in 1888 is not more than the increase in population should

lead us to expect. From the latter date to 1910 total expenditure has risen to \$18,754,000, a circumstance that must largely be attributed to an extension of the scope of state activity. Chief among the causes of growth is the development of the educational policy of the state. In 1910 the state expended \$6,800,000 upon state institutions and in subsidies to local schools. Another potent cause of increase is provision for dependents and defectives. This service costs the state more than \$2,850,000 annually. Outlays for prisons and other reformatory purposes total \$1,245,000. California has been able to meet these tremendous increases without apparent difficulty, a fact that gives some indication of the growing wealth of her people. Concerning the more fundamental underlying causes of increasing expenditure the author has nothing to say; nor does he attempt to determine the economic expediency of these increases.

It is this omission of inquiry into underlying causes and an avoidance of nearly all interpretation of facts that constitute the principal defects of the study. In many places the reader will turn eagerly from a careful and lucid statement of the provisions of a new tax law to subsequent pages for a statement of how the scheme worked in practice; but in a majority of instances, unless official documents supply a convenient summary, such information is lacking. Another defect in the general plan of the book, in the reviewer's opinion, is the absence of systematic relation of the revenue and expenditure policies of the state. Expenditures are treated as a thing apart, or as having little to do with changes in the revenue policy of the state. Here again the reader will discern the lack of carefully worked-out interpretation. These defects should not, however, be permitted to detract from the really excellent features of the work. For, on the whole, it is a clear, well-arranged statement of the principal facts in the fiscal history of a commonwealth that has made important improvements in the methods of taxing corporations and in the administration of the general property tax. The study may, therefore, be read with profit by all who are interested in state financial systems.

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Unpopular Government in the United States. By ALBERT M. KALES.

Chicago: The University of Chicago Press, 1914. 8vo, pp. 263. \$1.50 net.

The first part of Mr. Kales's book is devoted to the rise of the "politocrats." It presents in less than a hundred pages a keen and